GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:4085
ANSWERED ON:18.08.2000
RECOMMENDATIONS OF DISINVESTMENT COMMISSION
JAGDAMBI PRASAD YADAV

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Disinvestment Commission has submitted its recommendations to the Government;

(b) if so, the details thereof;

(c) the details of the recommendations accepted by the Government alongwith the follow-up action taken in this regard;

(d) whether the employees association / confederations were consulted before accepting these recommendations; and

(e) if not, the main demands of employees association / confederation in this regard?

Answer

Minister of State of the Department of Disinvestment (Shri Arun Shourie)

(a) Yes Sir.

(b) The Disinvestment Commission has made certain general recommendations applicable to all PSUsand specific recommendations in regard to disinvestment in 58 PSUs.Out of these 58 companies it has recommended strategic sale in 29 companies, 100 per cent trade sale in 8 companies, disinvestment through offer of shares in 5 cases, closure / sale of assets in 4 cases and no disinvestment or deferment of disinvestment in balance 12 companies.

(c) At present, disinvestment proposals in 10 companies have been cleared and advisors have been appointed to assist to the Government in implementing the decisions. These are Bharat Aluminum Company Ltd., Indian Petrochemicals Corporation Ltd., HTL Ltd., Engineering Projects India Ltd., NEPA Ltd., Air India, Indian Airlines, Indian Tourism Development Corporation Ltd., Madras Fertilizers Ltd., National Fertilizers Ltd. and Hindustan Copper Ltd. In 2 cases, disinvestment has been cleared but advisors are yet to be appointed. These are Hindustan Organic Chemicals Ltd. and MSTC LTDRecommendations of the Commission in 4 cases have been partially accepted and implemented by the Government. These are in respect of strategic sale in Modern Food Industries Ltd. and offer of shares in cases of Gas Authority of India Ltd., Mahanagar Telephone Nigam Ltd., and Container Corporation of India Ltd.

(d) No Sir. It is not considered necessary to consult the employees association / confederations before accepting the recommendations.

(e) Some factions of employees have opposed the disinvestment proposals in certain undertakings. However, as per the announced policy of the Government on disinvestment, the interests of the workers would be protected in all cases.